

DRAFT Model CRADA

Public Law 99-502, the Federal Technology Transfer Act of 1986, as amended.

COOPERATIVE RESEARCH AND DEVELOPMENT
AGREEMENT (hereinafter "CRADA")

BETWEEN

The Albany Research Center
of the U.S. Department of Energy

AND

_____ (hereinafter Participant)
both being hereinafter jointly referred to as the "Parties"

ARTICLE I. DEFINITIONS

- A. "Government" means the United States of America and agencies thereof.
- B. "DOE" means the U.S. Department of Energy, an agency of the United States Government.
- C. "Generated Information" means information produced in the performance of this CRADA.
- D. "Proprietary Information" means information which embodies trade secrets developed at private expense outside of this CRADA and commercial or financial information which is privileged or confidential under the Freedom of Information Act, Title 5 of United States Code 552(B)(4) {written as "5 USC 552(B)(4)"} and which is marked as Proprietary Information.
- E. "Protected CRADA Information" means Generated Information which is marked as being Protected CRADA Information by a party to this CRADA and which would have been Proprietary Information had it been obtained from a nonfederal entity.
- F. "Subject Invention" means any invention conceived or first actually reduced to practice in the performance of work under this CRADA.
- G. "Intellectual Property" means patents, copyrights, trademarks, and mask works protected by Federal Law and foreign counterparts.
- H. "Trademark" means a distinctive mark, symbol or emblem protectable under 15 USC 1051 and used in commerce by a producer or manufacturer to identify and distinguish its goods or services from those of others.

- I. "Mask Work" means a series of related images, however fixed or encoded, having or representing the predetermined, three-dimensional pattern of metallic, insulating or semiconductor material present or removed from the layers of a semiconductor chip product; and in which series the relation of the images to one another is that each image has the pattern of the surface of one form of the semiconductor chip product. (17 USC 901(a)(2))
- J. "CRADA" means an agreement as defined in, and which conforms to the requirements of P.L. 99-502, The Federal Technology Transfer Act, and as amended by P.L. 101-189, the National Technology Transfer Competitiveness Act of 1989.
- K. "Participant" means a non-Federal party to this CRADA and can be units of state or local government, industrial organizations, non-profit organizations, or other persons (including licensees of inventions owned by the Federal agency).
- L. "Unlimited Rights" means the right of the government to use, disclose, reproduce, prepare derivative works, distribute copies in public, and perform publicly and display publicly in any manner and for any purpose, and to have or permit others to do so.

ARTICLE II. STATEMENT OF WORK

Appendix A, Statement of Work, is hereby incorporated into this CRADA by reference.

ARTICLE III. FUNDING AND COSTS

- A. The estimated value of the Participant's contribution is \$_____.
The estimated value of the Government's contribution is \$_____, subject to available funding.
- B. Neither Party shall have an obligation to continue or complete performance of its work at a cost in excess of its estimated cost as contained in Article III. A. above, including any subsequent amendment.
- C. Each Party agrees to provide at least ____ days' notice (See Article XXX) to the other Party if its actual cost to complete performance will exceed its estimated cost.
- D. *[If Participant will be contributing funds to the DOE, then an advance payment provision will be negotiated.]*

ARTICLE IV. PROPERTY

All tangible personal property produced under this CRADA shall become the property of the Participant or the Government depending upon whose funds were used to obtain it. Such property shall be identified during the performance of the CRADA. Personal Property shall be disposed of as directed by the owner at the owner's expense. All jointly funded property shall be owned by the Government.

Failure of the Participant to remove its property from federal property will establish a presumption of abandonment under federal property regulations.

ARTICLE V. DISCLAIMER

THE GOVERNMENT AND THE PARTICIPANT MAKE NO EXPRESS OR IMPLIED WARRANTY AS TO THE CONDITIONS OF THE RESEARCH OR ANY INTELLECTUAL PROPERTY OR PRODUCT MADE, OR DEVELOPED UNDER THIS CRADA, OR THE OWNERSHIP, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE RESEARCH OR RESULTING PRODUCT. NEITHER THE GOVERNMENT NOR THE PARTICIPANT SHALL BE LIABLE FOR SPECIAL, CONSEQUENTIAL OR INCIDENTAL DAMAGES.

ARTICLE VI. PRODUCT LIABILITY

Participant indemnifies the Government for all damages, costs and expenses, including attorney's fees, arising from personal injury or property damage occurring as a result of the making, using or selling of a product, process or service by or on behalf of the Participant, its assignees or licensees, which was derived from the work performed under this CRADA. In respect to this Article, the Government shall not be considered an assignee or licensee of the Participant.

ARTICLE VII. OBLIGATIONS AS TO PROPRIETARY INFORMATION

- A. If Proprietary Information is orally disclosed to a Party, it shall be identified as such, orally, at the time of disclosure and confirmed in a written summary thereof within ____ days as being Proprietary Information.
- B. Each Party agrees to not disclose Proprietary Information provided by the Party to anyone other than Party(ies) to this CRADA without written approval of the providing Party, except to Government employees who are subject to 18 USC 1905.
- C. All Proprietary Information shall be returned to the provider at the conclusion of this CRADA at the provider's expense.
- D. All Proprietary Information shall be protected, unless and until such Proprietary Information shall become publicly known without the fault of the recipient, shall come into recipient's possession without breach of any of the obligations set forth herein by the recipient, or shall be independently developed by recipient's employees who did not have access to such Proprietary Information.

ARTICLE VIII. OBLIGATIONS AS TO PROTECTED CRADA INFORMATION

- A. Each Party may designate as Protected CRADA Information, as defined in Article I, any Generated Information produced by its employees, and with the agreement of the other Party, mark any Generated Information produced by the other Party's employees. All such designated Protected CRADA Information shall be appropriately marked.
- B. For a period of ____ [not to exceed five years] from the date Protected CRADA Information is produced, the Parties agree not to disclose the information except:
 - (1) as necessary to perform this CRADA;
 - (2) other than as provided in Article XI, as requested by the DOE to be provided to other DOE facilities for the use only at those facilities with the same protection in place; or
 - (3) as mutually agreed by the Parties in advance.
- C. The obligations of (B) above shall end sooner for any Protected CRADA Information which shall become publicly known without fault of either Party, shall come into a Party's possession without breach by that Party of the obligations of (B) above, or shall be independently developed by a Party's employees who did not have access to the Protected CRADA Information.

ARTICLE IX. RIGHTS IN GENERATED INFORMATION

The Participant understands that the Government shall have unlimited rights in all Generated Information or information provided to the Parties under this CRADA which is not marked as being copyrighted (subject to Article XIII) or as Protected CRADA Information (subject to Article VIII B) or Proprietary Information (subject to Article VII B).

ARTICLE X. EXPORT CONTROL

THE PARTIES UNDERSTAND THAT MATERIALS AND INFORMATION RESULTING FROM THE PERFORMANCE OF THIS CRADA MAY BE SUBJECT TO EXPORT CONTROL LAWS AND THAT EACH PARTY IS RESPONSIBLE FOR ITS OWN COMPLIANCE WITH SUCH LAWS.

ARTICLE XI. REPORTS AND ABSTRACTS

- A. The Parties agree to produce the following:
 - (1) initial abstracts suitable for public release;
 - (2) other topical/periodic reports where the nature of research and/or magnitude of the dollars justify or as negotiated in Appendix A.

- B. Any report properly marked with a Proprietary legend or with a Protected CRADA Information legend identifying the agreed-to period of withholding from public disclosure shall be asserted to be exempt from the provisions of the Freedom of Information Act as set forth a 5 U.S.C. 552. The Participant agrees that DOE has the right to take delivery of reports and abstracts produced under this CRADA, subject to Article IX.

ARTICLE XII. PRE-PUBLICATION REVIEW

- A. The Parties agree to secure pre-publication approval from each other which shall not be unreasonably withheld or delayed.
- B. The Parties agree that neither will use the name of the other Party or its employees in any promotional activity, such as advertisements, with reference to any product or service resulting from this CRADA, without prior written approval of the other Party.

ARTICLE XIII. COPYRIGHTS

- A. The Participant may assert copyright in any of its Generated Information. When the Participant asserts such right, the Participant shall affix the copyright notice of 17 USC 401 on the Generated Information.
- B. Subject to the license rights of the Government, the Participant shall have the first option to retain title to and assert copyright in any work originated under this agreement solely by its employees or jointly with DOE employees. This option shall be exercised by sending a written notice to DOE within 120 days after the work is created or such longer time as may be approved by DOE. Should the Participant not exercise its option right within this time period or indicate it has no intention of asserting copyright, the parties agree not to assert copyright in any such work originated under this agreement.
- C. For Generated Information, the Participant acknowledges that the Government has for itself and others acting on its behalf, a royalty-free, nonexclusive, irrevocable worldwide copyright license to reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly, by or on behalf of the Government, all copyrightable works produced in the performance of this CRADA subject to the restrictions this CRADA places on publication of Proprietary Information and Protected CRADA Information.
- D. For all copyrighted computer software produced in the performance of this CRADA, the Party owning the copyright will provide the machine readable source code, an expanded abstract, the object code, and the minimum support documentation needed by a competent user to understand and use the software to ARC. The expanded abstract will be treated in the same manner as Generated Information in subparagraph C of this Article.
- E. The Participant agrees that, with respect to any copyrighted computer software produced in the performance of this CRADA, DOE has the right, at the end of the period set forth in paragraph B of Article VIII hereof and at the end of each two-year interval thereafter, to request the Participant and any assignee or exclusive licensee of the copyrighted software to

grant a nonexclusive, partially exclusive, or exclusive license to a responsible applicant upon terms that are reasonable under the circumstances, provided such grant does not cause a termination of any licensee's right to use the copyrighted computer software. If the Participant or any assignee or exclusive licensee refuses such request, the Participant agrees that DOE has the right to grant the license if DOE determines that the Participant, assignee, or licensee has not made a satisfactory demonstration that it is actively pursuing commercialization of the copyrighted computer software.

Before requiring licensing under this paragraph E, DOE shall furnish the Participant written notice of its intentions to require the Participant to grant the stated license, and the Participant shall be allowed 30 days (or such longer period as may be authorized by DOE for good cause shown in writing by the Participant) after such notice to show cause why the license should not be required to be granted.

The Participant shall have the right to appeal the decision by the DOE to the grant of the stated license to the Invention Licensing Appeal Board as set forth in paragraphs (b)-(g) of 10 CFR 781.65, "Appeals."

- F. The Participant agrees to place Copyright and other notices, as appropriate for the protection of Copyright, in human readable form onto all physical media, and in digitally encoded form in the header of machine readable information recorded on such media such that the notice will appear in human readable form when the digital data are off loaded or the data are accessed for display or printout.

ARTICLE XIV. REPORTING INVENTIONS

- A. The Parties agree to disclose to each other every Subject Invention. The Parties acknowledge that the Participant will disclose subject inventions to DOE Intellectual Property Counsel within two (2) months after the inventor first discloses the invention in writing to the person(s) responsible for patent matters of its organization.
- B. These disclosures should be in such detail as to allow a patent attorney to file a patent application. The Parties further agree to disclose any statutory bars concerning these invention disclosures. All invention disclosures shall be marked as "Confidential under 35 USC 205."

ARTICLE XV. TITLE TO INVENTIONS

In accordance with the National Technology Transfer and Advancement Act of 1995, P.L. 104-113, the Participant has been granted the right to elect to retain title to Subject Inventions of its

employees and has been offered the option to choose an exclusive license for a prenegotiated field of use, and for reasonable compensation, in Government employee Subject Inventions.

[Allocation of rights will be negotiated by the parties.]

- A. The Participant shall have the right to elect to retain title to any Subject Invention made solely by its employees. The government shall retain title to any other Subject Invention unless otherwise provided in this Article XV.
- B. Inventions made or conceived jointly by personnel of the Government and the Participant, and elected by the Participant, along with all patent applications filed thereon, shall be jointly owned by the parties.
- C. The Participant acknowledges that the DOE may obtain title to each Subject Invention reported under Article XIV for which a patent application or applications are not filed pursuant to Article XVI and for which any issued patents are not maintained by the Participant.
- D. The Participant acknowledges that the Government retains a non-exclusive, non transferable, irrevocable, paid-up license to practice or have practiced any Subject Invention throughout the world by or on behalf of the Government.
- E. The Participant shall have sixty (60) days after receipt of each Subject Invention made in whole or in part by a Government employee, disclosed to the Participant pursuant to Article XIV above, to notify the DOE in writing if the Participant desires an option for rights with respect thereto. Pursuant to each such written request from the Participant, the Government agrees that the Participant shall have, subject to the requirements of Executive Orders 10096 and 10930, as implemented in 37 CFR PART 501, up to six (6) months after termination of this CRADA the option to acquire an exclusive license in the limited field of use of [specify the scope of use and technology]. The Government and the Participant agree to negotiate such rights in good faith to provide mutually agreeable terms therefor or if not within said six months period then rights in Subject Inventions shall be governed by applicable law and this CRADA Agreement.

ARTICLE XVI. FILING PATENT APPLICATIONS

- A. If the Participant is assigned or elects to take title in any subject inventions under Article XV above, the Participant shall have the first opportunity to file U.S. and foreign patent applications; but if the Participant does not file such applications within twelve months after disclosure or 60 days prior to any statutory bar to patentability, whichever is earlier, then the Government may file patent applications and the Participant shall convey title in such Subject Inventions to the Government.
- B. If the Participant does not desire to file a patent application in any country in which it has a right to file for any Subject Invention, it shall notify DOE Intellectual Property Counsel in writing of such negative intent within nine (9) months after the initial disclosure of such invention but not later than 60 days prior to the time when any statutory bar might foreclose filing of a U.S. patent application. The Participant shall have ten (10) months after filing a

U.S. patent application to file corresponding applications in foreign jurisdictions or to notify DOE Patent Counsel of its intent not file in such foreign jurisdictions .

ARTICLE XVII. TRADEMARKS

The Participant may seek to obtain trademark/service mark protection on products or services in the United States or foreign countries. [The ownership and other rights relating to trademarks shall be as mutually agreed to in writing by the Parties.] The Participant acknowledges that the Government shall have the right to indicate on any similar goods or services it produces, that such goods or services were derived from and are a DOE version of the goods or services protected by such trademark/service mark with the trademark and the owner thereof being specifically identified.

ARTICLE XVIII. MASK WORKS (If applicable)

The Participant may seek to obtain legal protection for mask works fixed in semiconductor products generated under this agreement as provided for by Chapter 9 of Title 17 of the United States Code. [The rights to any mask work covered by this provision shall be as mutually agreed to in writing by the Parties.] In every event the Government and others acting on its behalf shall retain a nonexclusive, worldwide, paid-up, irrevocable, nontransferable license to reproduce, import, or distribute the covered semiconductor product by or on behalf of the Government.

ARTICLE XIX. COST OF INTELLECTUAL PROPERTY PROTECTION

Each Party shall be responsible for payment of all costs relating to copyright, trademark and mask work filing, U.S. and foreign patent application filing and prosecution, and all costs relating to maintenance fees for U.S. and foreign patents hereunder which are owned by that Party.

ARTICLE XX. REPORTS OF INVENTION USE

The Participant agrees to submit, upon the request of DOE, written reports no more frequently than annually on its efforts to obtain commercial utilization of any Subject Invention.

ARTICLE XXI: DOE MARCH-IN RIGHTS

For Subject Inventions made solely by the Participant and for assignments and exclusive licenses by the Government to the Participant in Subject Inventions made in whole or in part by the Government, the DOE shall retain the right to require the Participant to grant a responsible applicant a nonexclusive, partially exclusive, or exclusive license to use the invention in any field of use , on terms that are reasonable under the circumstances, or if the Participant fails to grant such a license, to grant the license itself. DOE may exercise this right only in exceptional circumstances and only if DOE determines that (1) the action is necessary to meet health or safety needs that are not reasonably satisfied by the Participant; (2) the action is necessary to meet the requirements for public use specified by Federal regulations and such requirements are not reasonably satisfied by the Participant; or (3) the Participant has failed to comply with the provisions of Article XXII U.S. Competitiveness of this agreement.

ARTICLE XXII. U.S. COMPETITIVENESS

The Parties agree that a purpose of this CRADA is to provide substantial benefit to the U.S. economy.

In exchange for the Benefits received under this CRADA, the Parties therefore agree to the following:

- A. Products embodying Intellectual Property developed under this CRADA shall be substantially manufactured in the United States;
- B. Processes, services, and improvements thereof which are covered by Intellectual Property developed under this CRADA shall be incorporated into the Participant's manufacturing facilities in the United States either prior to or simultaneously with implementation outside the United States. Such processes, services, and improvements, when implemented outside the U.S., shall not result in reduction of the use of the same processes, services, or improvements in the United States; and
- C. In the event that it is not feasible to meet the requirements of A. and B., a plan for providing net benefit to the U.S. economy is attached in Appendix B.

ARTICLE XXIII. ASSIGNMENT OF PERSONNEL

- A. It is contemplated that each Party may assign personnel to the other Party's facility as part of this CRADA. Such personnel assigned by the assigning Party, to participate in or observe the research to be performed under this CRADA shall not during the period of such assignments be considered employees of the receiving Party for any purposes.
- B. The receiving Party shall have the right to exercise routine administrative and technical supervisory control of the occupational activities of such personnel during the assignment period and shall have the right to approve the assignment of such personnel and/or to later request their removal by the assigning Party.
- C. The assigning Party shall bear any and all costs and expenses with regard to its personnel assigned to the receiving Party's facilities under this CRADA. The receiving Party shall bear facility costs of such assignments.

ARTICLE XXIV. FORCE MAJEURE

No failure or omission by DOE or the Participant in the performance of any obligation under this CRADA shall be deemed a breach of this CRADA or create any liability if the same shall arise from any cause or causes beyond the control of DOE or the Participant, including but not limited to the following, which, for the purpose of this CRADA, shall be regarded as beyond the control of the Party in question: Acts of God, acts or omissions of any government or agency thereof, compliance with requirements, rules, regulations, or orders of any governmental authority or any office, department, agency, or instrumentality thereof, fire, storm, flood, earthquake, accident, acts of the public enemy, war, rebellion, insurrection, riot, sabotage, invasion, quarantine, restriction, transportation embargoes, or failures or delays in transportation.

ARTICLE XXV. ADMINISTRATION OF THE CRADA

It is understood and agreed that this CRADA is entered into by ARC under the authorities delegated by the Assistant Secretary for Fossil Energy. ARC will administer this CRADA.

Any right acquired by the Participant under this CRADA, except for patent rights, is personal to the Participant and may not be transferred, assigned, or licensed without the written consent of the DOE.

ARTICLE XXVI. RECORDS AND ACCOUNTING SYSTEM

The Participant shall maintain records of receipts, expenditures, and the disposition of all Government property in its custody, related to the CRADA for the term agreed to in Article VIII Paragraph B.

ARTICLE XXVII. NOTICES

- A. Any communications required by this CRADA, if given by postage prepaid first class U.S. Mail addressed to the Party to receive the communication, shall be deemed made as of the day of receipt of such communication by the addressee, or on the date given if by verified facsimile. Address changes shall be given in accordance with this Article and shall be effective thereafter. All such communications should include the number of this CRADA.
- B. The addresses, telephone numbers and facsimile numbers of the Parties' contacts are as follows:

Participant - *do the same as above*

ARTICLE XXVIII. DISPUTES

Any dispute arising under this Agreement which is not disposed of by agreement of the Parties shall be submitted jointly to the signatories of this Agreement. A joint decision of the signatories or their designees shall be the disposition of such dispute.

The construction, validity, performance, and effect of this agreement for all purposes shall be governed by the laws applicable to the Government of the United States.

ARTICLE XXIX. ENTIRE CRADA AND MODIFICATIONS

- A. It is expressly understood and agreed that this CRADA with its Appendices contains the entire agreement between the Parties with respect to the subject matter hereof and that all prior representations or agreements relating hereto have been merged into this document and are thus superseded in totality by this CRADA.
- B. Any agreement to change any terms or conditions of this CRADA or the Attachments or Appendices shall be valid only if the change is made in writing, executed by the Parties hereto.

ARTICLE XXX. TERMINATION

This CRADA will terminate in _____ months. This CRADA may be terminated by either Party upon _____ days written notice to the other Party. In the event of termination by either Party, each Party shall be responsible for its share of the costs incurred through the effective date of termination, as well as its share of the costs incurred after the effective date of termination, and which are related to the termination. The confidentiality, use, and/or non-disclosure obligations of this CRADA shall survive any termination of this CRADA.

ARTICLE XXXI. NO BENEFITS

No member of or delegate to the United States Congress or resident commissioner shall be admitted to any share or part of this Agreement nor any benefit that may arise there from; but this shall not be construed to extend to this Agreement if made with a corporation for its general benefit.

FOR PARTICIPANT:

By _____

Title _____

Mailing Address _____

Date _____

FOR U.S. DEPARTMENT OF ENERGY:

By _____

Title _____

Date _____

Statement of Work - (Begin date) to (End date)
Cooperative Research and Development Agreement Between the
United States Department of Energy (Albany Research Center) and
Participant

Program Director for ARC:

Program Director for Participant:

